

Message Text

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PAGE 01 BONN 12558 01 OF 02 261835Z

46

ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 IO-13 FEA-01 AGR-05 CEA-01

CIAE-00 COME-00 DODE-00 FRB-03 H-02 INR-07 INT-05

L-03 LAB-04 NSAE-00 NSC-05 PA-01 AID-05 CIEP-01 SS-15

STR-04 ITC-01 USIA-06 PRS-01 SP-02 OMB-01 OIC-02

ERDA-05 FPC-01 PM-04 SAM-01 OES-06 ACDA-07 /132 W

----- 021023

R 261809Z JUL 76

FM AMEMBASSY BONN

TO SECSTATE WASHDC 0708

DEPARTMENT TREASURY

INFO AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY ROME

USMISSION EC BRUSSELS

USMISSION OECD PARIS

C O N F I D E N T I A L SECTION 01 OF 02 BONN 12558

E.O. 11652: GDS

TAGS: EFIN, EAID, CIEC, GW

SUBJECT: EC COMMISSION PROPOSALS ON CIEC WORK ON DEBT

REF: STATE 184195

1. THE FINANCIAL ATTACHE HAS DISCUSSED EC COMMISSION PROPOSALS WITH FINANCE MINISTRY ASSISTANT SECRETARIES WEBER, GESKE AND THEIR STAFFS. BOTH INDICATED AGREEMENT WITH US POSITION ON BOTH SUBSTANTIVE AND TACTICAL GROUNDS. IF ANYTHING, GESKE'S STAFF
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PAGE 02 BONN 12558 01 OF 02 261835Z

(KOSCHORRECK) PERSONALLY FELT THAT US POSITION IN

PARA 6 OF REFTEL TOO FORTHCOMING IN NOT TYING AREA OF ACTION AND CONCENTRATION IN FINANCE COMMISSION EVEN MORE EXCLUSIVELY TO IMPLEMENTATION OF UNCTAD DEBT RESOLUTION.

2. FINANCE MINISTRY OFFICIALS INDICATED THAT GERMAN POSITION ON SUBSTANCE IS FIRMLY BEHIND US/EC DEBT RESOLUTION (STATE 184195). THIS IS A GERMAN CABINET DECISION WHICH CAN ONLY BE CHANGED BY THE CABINET. EC COMMISSION PROPOSAL DESCRIBED REFTEL (EXACT WORDING OF WHICH FINANCE MINISTRY DID NOT HAVE) THUS WOULD NOT BE ACCEPTABLE TO FRG. GERMAN FOREIGN OFFICE, HOWEVER, IS SEARCHING FOR SOME WORDING WHICH WHILE NOT MAKING SIGNIFICANT CONCESSIONS ON SUBSTANCE MIGHT PROVIDE AN OUT OF IMPASSE. IN THIS CONNECTION, FINANCE MINISTRY OFFICIALS TELL US THAT INTER-MINISTERIAL WORKING GROUP IS AUTHORIZING AMBASSADOR ROBERT TO PUT FORTH FOLLOWING TWO ALTERNATIVE PROPOSALS AT HIS DISCRETION DURING BRUSSELS DISCUSSION (ESSENTIAL YOU TREAT NOFORN AND NOT INDICATE US AWARENESS OF THESE AT THIS TIME):

(A) SUBSTITUTE FOR SECOND SUB-PARAGRAPH OF PARA 3 OF EC/US TEXT (PARA 3 OF STATE 184195) THE FOLLOWING:

"THE COMMISSION ON DEVELOPMENT WILL ENDEAVOR TO FORMULATE PROPOSALS REGARDING FEATURES ON OTHER ASPECTS OF INDEBTEDNESS OF DEVELOPING COUNTRIES, INCLUDING POSSIBLE MEASURES OF A VARYING NATURE WHICH WOULD CONTRIBUTE TO THE ALLEVIATION OF THEIR EXTERNAL PAYMENTS PROBLEMS (INCLUDING THE DEBT BURDEN), IN THE CASE OF DEVELOPING COUNTRIES DEPENDING . . ."

OR ALTERNATIVELY

(B) SUBSTITUTE FOR PARA 3 OF EC/US TEXT THE FOLLOWING:
CONFIDENTIAL

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PAGE 03 BONN 12558 01 OF 02 261835Z

CONFIDENTIAL

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PAGE 01 BONN 12558 02 OF 02 261824Z

46

ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 IO-13 FEA-01 AGR-05 CEA-01

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STR-04 ITC-01 USIA-06 PRS-01 SP-02 OMB-01 OIC-02

ERDA-05 FPC-01 PM-04 SAM-01 OES-06 ACDA-07 /132 W

----- 020915

R 261809Z JUL 76

FM AMEMBASSY BONN

TO SECSTATE WASHDC 0709

DEPARTMENT TREASURY

INFO AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY ROME

USMISSION EC BRUSSELS

USMISSION OECD PARIS

C O N F I D E N T I A L SECTION 02 OF 02 BONN 12558

"IN VIEW OF THE IMPLMZNTATION OF
RESOLUTION 94 (IV) OF THE UNCTAD IV

- THE COMMISSION ON FINANCIAL AFFAIRS
WILL DEAL WITH SITUATIONS OF ACUTE
DEBT CRISIS IN CREDITOR CLUBS

- THE DEVELOPMENT COMMISSION WILL DEAL
CONFIDENTIAL

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PAGE 02 BONN 12558 02 OF 02 261824Z

WITH STRUCTURAL FINANCIAL PROBLEMS
OF PARTICULAR IMPORTANCE INVOLVING
DIFFICULTIES FOR DEVELOPMENT."

3. FIRST ALTERNATIVE IS DESIGNED TO MEET LDC DESIRE
FOR MENTION OF CURRENT DEBT BURDEN, BUT MAKE THIS
ACCEPTABLE BY SOFTENING TEXT THROUGH PREVIOUS
INSERTION OF QUALIFIERS "ENDEAVOR" AND "POSSIBLE."
SECOND ALTERNATIVE MIGHT BE WAY OUT WITHOUT LOSS OF
FACE SINCE G-19 REALIZES IT HAS TO BACK AWAY FROM
PRESENT POSITION.

4. WE ARE REPORTING SEPARATELY ON REPRESENTATIONS
MADE LATER IN THE DAY WITH MFA ASSISTANT SECRETARY
LAUTENSCHLAGER, ECONMIN DEPUTY ASST. SECY MUELLER-
THUNS, HAND ECONCOOPMIN DEPUTY ASST SECY MOLTRECHT.
CASH

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LESS DEVELOPED COUNTRIES, PROPOSALS (BID), GOVERNMENT DEBTS
Control Number: n/a
Copy: SINGLE
Draft Date: 26 JUL 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ShawDG
Disposition Case Number: n/a
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Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Margaret P. Grafeld
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TAGS: EFIN, EAID, GE, CIEC
To: STATE TRSY
Type: TE
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